FDI in telecom sector

3812. SHRI NANA DESHMUKH: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that country is a favoured destination for Foreign Direct Investment in telecom sector;

(b) whether as a result thereof Sanchar Dhabas would be opened across the rural areas;

(c) if so, the number of villages likely to be benefited by the scheme during the current fiscal year and the next fiscal year; and

(d) by when all the villages throughout the country are likely to be covered?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI TAPAN SIKDAR): (a) to (d) Further to recent liberalization in telecom in India, foreign direct investment (FDI) into the telecom sector has increased substantially. The approved FDI in telecom sector since August 1991 to January 2002 is 20.11% of total FDI approved. During this period actual inflow of FDI in the telecom sector has been Rs. 8,480.59 crores, and out of this, Rs. 3,970.87 crores has come in the year 2001 alone. Statistics thus indicate that the telecom sector in India can be is considered as a favoured destination for the foreign direct investment.

In the area of basic telephone services the actual inflow of FDI till December 2001 is about Rs. 393.7 crores.

As per New Telecom Policy 1999, it has been envisaged to achieve telecom coverage of all the villages of the country by the year 2002. FDI in telecom sector is not linked with the opening of Sanchar

Dhabas. However, BSNL as a policy has decided to cover all Block HQs with Sanchar Dhabas on franchise basis.

Difference of rates between ISD and internet telephony

3813. SHRI K. B. KRISHNA MURTHY: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether there is a wide difference of rates between the ISD and internet telephony at present;

(b) if so, whether Government would endeavour to strike a correlation between the two; and

(c) whether internet telephony is allowed without any additional licence fee or entry fee to the internet service providers and whether their original licences allow them voice applications?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI TAPAN SIKDAR): (a) Yes, Sir.

(b) There may not be any need for correlation as International Long Distance Service and Internet Telephony Service have been classified as different services and both are open for full competition.

(c) Yes, Sir. However, Telecom Authority has the right to review and impose licence fee anytime during the validity of the licence. The original licence of Internet Service Providers (ISPs) does not permit Telephony on Internet. The ISPs are to take permission to offer Internet Telephony Service.

Telephone facility in villages of Mainpuri

†3814. SHRI D. P. YADAV: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) the villages which were planned to provide telephone facility during the last five years alongwith the villages which have been

†Original notice of the question was received in Hindi.